

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1180-01
Bill No.: SB 182
Subject: Boards, Commissions, Committees, Councils; Business and Commerce;
Economic Development
Type: Original
Date: February 7, 2011

Bill Summary: This proposal expands the amount of employees and functions of the small business regulatory fairness board.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	\$0 or (\$79,297)	\$0 or (\$81,669)	\$0 or (\$82,600)
Total Estimated Net Effect on General Revenue Fund	\$0 or (\$79,297)	\$0 or (\$81,669)	\$0 or (\$82,600)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	0 or 1.5 FTE	0 or 1.5 FTE	0 or 1.5 FTE
Total Estimated Net Effect on FTE	0 or 1.5 FTE	0 or 1.5 FTE	0 or 1.5 FTE

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Economic Development (DED)** assume the proposed legislation would result in the need for 1.5 FTE. The .5 FTE would be an Office Support Clerical position that would be responsible for basic support functions. The 1.0 FTE would be a Planner II and would assist the board in their duties described under Section 536.300 through 536.310, RSMo, including reviewing rules affecting small businesses, developing training programs for agencies, facilitating board meetings and public meetings, preparing necessary reports, attending board meetings, etc. There are also standard costs associated with these FTE. It is projected to cost \$80,000 per year.

Oversight assumes DED's estimate of expense and equipment cost for the new FTE could be overstated. If DED is able to use existing desks, file cabinets, chairs, etc., the estimate for equipment for fiscal year 2012 could be reduced by roughly \$12,000.

Since this proposal states that the hiring of the FTE is subject to appropriation, **Oversight** has shown the FTE costs as zero (no funding) to the cost of the FTE.

Officials at the **Office of the Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials at the **Missouri House of Representatives, Missouri Senate** and the **Office of the Governor** assume that there is no fiscal impact from this proposal.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations

ASSUMPTION (continued)

related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
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GENERAL REVENUE

<u>Cost - Dept of Economic Development</u>			
Personal Service	\$0 or (\$41,155)	\$0 or (\$49,880)	\$0 or (\$50,379)
Fringe Benefits	\$0 or (\$21,541)	\$0 or (\$26,107)	\$0 or (\$26,368)
Equipment and Expenses	<u>\$0 or (\$16,601)</u>	<u>\$0 or (\$5,682)</u>	<u>\$0 or (\$5,853)</u>
<u>Total Costs - DED</u>	<u>\$0 or (\$79,297)</u>	<u>\$0 or (\$81,669)</u>	<u>\$0 or (\$82,600)</u>
FTE Change - DED	0 or 1.5 FTE	0 or 1.5 FTE	0 or 1.5 FTE

**ESTIMATED NET EFFECT ON
GENERAL REVENUE**

<u>\$0 or (\$79,297)</u>	<u>\$0 or (\$81,669)</u>	<u>\$0 or (\$82,600)</u>
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Estimated Net FTE Change on General Revenue	0 or 1.5 FTE	0 or 1.5 FTE	0 or 1.5 FTE
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<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This act allows the small business regulatory fairness board to hire a one-half full-time and a full-time equivalent employee for clerical support and for a professional position subject to appropriation. Those individuals shall be charged with numerous clerical and administrative tasks in support of the board as are enumerated in the act.

The board may use other appropriated funds for Internet upkeep, information technology,

JH:LR:OD

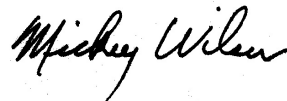
FISCAL DESCRIPTION (continued)

covering mileage costs for members, paying for publications, and outreach costs.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development
Missouri House of Representatives
Missouri Senate
Office of the Attorney General
Office of the Governor
Office of the Secretary of State



Mickey Wilson, CPA
Director
February 7, 2011